RICK SAKER, vice president of operations, Saker ShopRites, Inc.

About Saker ShopRites, Inc.
Beginning with a small "mom and pop" store, which opened in 1916 in Freehold, NJ, the Saker family has operated grocery stores for almost 100 years. Saker ShopRites owns and operates 30 supermarkets in central New Jersey.

Composting
Rick Saker, vice president of operations, officially started at his family business, representing the fifth generation, when he was 15, and has worked in just about every department and aspect of the business, getting a masters degree in international food marketing along the way.

There is one area of responsibility, however, which especially gets Saker excited. "Sustainability programs span my responsibilities, and we've been ramping up various sustainability efforts for many years."

Composting has really evolved at Saker ShopRites during the past 10 years. Supply and demand drives some of these efforts, he explains. "Initially, that demand came from local farmers (pig farmers, specifically) coming to stores asking for our organic waste and paying for it. That's how we began the process of segregating out waste."

"The advantage of that from our perspective is that it really works for higher volume stores, but the lease program for those units is too high for smaller volume stores. When economies work, it seems to be a good alternative. From a sanitary perspective, you don't need composting bins outside your store; especially in warm weather, which can lead to various issues," says Saker.

Part of the challenge of a good composting program is getting buy-in from store management down the line, according to Saker. "We separate the responsibilities within departments, and department managers take the lead. For example, the produce manager is responsible for bringing the composting product to the warehouse receiver. Segregated blue compost bins sit outside of the store, nice and clean, waiting for the waste management company to dump into their reciprocals," he says.

"It also really helps our department managers and store managers from a category management standpoint. By going through everything that needs to be thrown out, they are able to analyze shrink and evaluate whether they ordered too many apples, and what they need to curtail or improve on," he says.

PRODUCE BUSINESS profiles a range of ShopRite members that embody the core Wakefern principles, and embrace company-specific sustainability initiatives.

BY MIRA SLOTT
A large quantity of compost is coming from produce. Depending on the store and operation, other departments contribute as well but produce accounts for the greatest percentage, according to Saker.

“Initially, it’s jumping over the hurdle of teaching and training associates, getting store management all the way down to the line clerks to understand sustainability from the philanthropic benefits to the efficiencies, and to abide by a system of segregating waste; working with security receivers, ensuring it’s properly handled and recorded. Once they see it is part of a worthy cause, they want to be involved,” he explains.

“We’re also experimenting with food donation programs, collaborating with local food banks for pickups three days a week,” he says. Saker says any type of organic waste, perishable items in the perimeter of the store, various produce and bakery items, foodservice prepared foods, deli, dairy, seafood items, and frozen foods, as they expire and come out of the container, are all part of the pickups.

“It’s good for us as a company. From a financial perspective there’s labor savings and reducing composting expense, and we can be environmentally and socially responsible,” asserts Saker.

“From my own personal experiences when I was still working the produce departments culling the aisle and making sure there was no bruised product, it was always of concern and alarming to me the amount of perfectly edible product with a slight blemish that came off the shelves. There’s tremendous waste filling up landfills. We have a responsibility to really delve into as many sustainability efforts as possible; not only because it’s philanthropic, but also because it’s smart business. Sustainability is part of this generation’s consciousness,” he says.
David Deets, director of store development and sustainability, has been with Wakefern ShopRite for 25 years, and with Brown’s for 15 years. However, it was just about two years ago he embraced his role to drive sustainability at Brown’s.

“It was an interesting transition, because until I took this job, I was just recycling my cans at home. It’s been quite a learning curve,” he says. “I didn’t know much about sustainability, but it’s gone very well, and we’ve done a lot of good things at Brown’s.”

Deets’ conquered his learning curve rather quickly. Brown’s received a 2013 U.S. Environmental Protection Agency Award for Outstanding Achievement in Food Waste Prevention and Diversion. President Obama recognized owner Jeff Brown for his work in abating supermarket deserts and bringing fresh, nutritious food to impoverished areas.

“About two years ago, our owner said he wanted to take sustainability to the next level,” says Deets. “Produce is a big part of our food waste program. For many years most of our produce waste ended up in the trash and landfills. In 2012, we started an aggressive program of organic waste division in Maryland. We partner with companies to handle all our organic materials. We’re now at an 83 percent diversion rate. Our goal is to get to zero waste as a company,” he says.

“We made a decision not to sell produce with defects at a marked down price because of our image. Now, instead of throwing it away, we train foodservice staff on how to use it, or it’s donated.”

Brown’s has a training program established for associates in produce, meet, and bakery. “In produce, we used to cull product and throw it in the trash. Now we cull with two boxes in the morning; one is for rotten, non-edible trash, the other is for distressed items that are fine to eat, but not suitable for sale, which are put aside for donations, and picked up by local organizations.

“The program has had a tremendous effect on our trash costs. In 2013 we diverted 171 tons of products to local food banks. If you got everyone in the country to do something similar, imagine the impact,” he says.

“We have zero tolerance for stores not following the program, but it has been an easier sell than I thought. When we do orientations and training programs, people appreciate that they’re not just saving Brown’s money, but helping someone in the neighborhood that’s hungry,” he says. “In our urban stores, particularly, everyone knows people who are hungry. If a bag of apples is bruised, they want to give it to a child in need.”

“Brown’s has been at the forefront of bringing affordable and healthy food to underserved communities, creating stores in food deserts, as well as through donations,” says Deets, noting that Jeff Brown was recognized for these efforts as a guest of honor in Michelle Obama’s box at President Obama’s State of the Union address.

SHAWN RAVITZ, vice president of administration, Supermarkets of Cherry Hill, Inc.

KEN BRAHL, senior director labor relations, Supermarkets of Cherry Hill, Inc.

About Supermarkets of Cherry Hill, Inc.

As a Russian immigrant, Dave Ravitz came to this country looking for his American dream. And in 1901, he found it when he opened a small grocery store. His son Stanley joined him, and together they grew their business. Looking for a way to lower prices without sacrificing quality, the Ravitz family joined Wakefern/ShopRite cooperative in 1984. Today, the third and fourth generations of Ravitz grocers operate five ShopRites: three in Burlington and two in Camden counties in New Jersey, with another scheduled to open in Camden in 2014.

Energy Conservation/Waste Diversion

“From an industry perspective, sustainability became hip, but we have never been a company doing something, because it sounds good, unless it provides solutions with measured results,” says Shawn Ravitz, who is responsible for construction maintenance, finance, labor relations and human resources. “Whether it’s a budget cost savings initiative, extra safety or security within the operations of the store, an environmental benefit, or maybe an efficiency benefit, it can’t just be sustainability for the sake of sustainability.”

“Sustainability has become a ubiquitous word easily thrown around. It comes down to dollars and has to make financial sense,” adds Ken Brahl, who’s worked at the company more than 21 years, covering loss-prevention, shrink and quality areas.

Early on, the focus was toward energy with major initiatives geared to store lighting and refrigeration, LED and spot lighting in the produce department, as well as revamping case lighting and refrigeration (such as changing fan motors to variable speed drives, which saved energy).

“That was our early adoption, and we’re continuing to watch where technology is going to take other energy conservation measures, such as water cultivation. Renewable energy is certainly being tested by some members,” says Ravitz, adding, “I sit on a committee within Wakefern where we evaluate operational cost controls. That’s where we share ideas and test them out, and not every member will have the same level of commitment to jump in.”

In the area of food gleaning and waste, Wakefern provided education on working with food banks, composting, and organic waste diversion. “We started in 2011, partnering with an organic waste company here and a local food bank and our efforts took off,” says Brahl. Eventually composting and organic waste conversions led into recycling and a co-mingling program.

In monitoring results, “we’re using 2010 as our baseline, when we weren’t doing anything specific with waste. Now we’ve reduced trash to landfills by 48 percent, 41 percent of that is going into composting — all your produce waste, food waste, everything we can find,” says Ravitz.

Initially, the food-gleaning program focused a lot with bakery and frozen products, before going to produce, which was more challenging, according to Brahl. A key part of the training was, bringing everyone to the food bank to experience things first hand. “It’s important to see the big picture. Once there is buy in, it’s part of the culture and then it’s a process,” he says.

That process involved delegating responsibility to the department managers to drive the program. “They were really on board. No one went in kicking and screaming. We slid into the composting...
program pretty easily with the same deal. We trained everyone a store at a time," says Brahl. "The Wakefern organic team came in with us for two months.

"It takes time and resources to roll out these programs. This was not easy to do and required an ongoing commitment. One of the benefits of being part of the Wakefern cooperative is working with all the members to share best practices.

"There are so many disparate parts and hands in different departments, we have to go employee by employee, department by department and explain how to do things along with the reasons for doing them," says Ravitz. "This wasn’t about saving money, although there are money savings," he says. "It feels good to be a community partner."

HARRY GARAFALO, owner, Milford Markets

About Milford Markets
Harry Garafalo’s connection to the
ShopRite of Milford, CT goes back to 1974 when he bagged groceries in the original store. Fast forward to 2004, Harry and his wife, Ann, become the owners of the ShopRite of Milford and members of Wakefern. They added a West Haven store in 2008 and two more Connecticut locations in late 2010. Born and raised in Milford, Garafalo’s kinship with his customers and community runs deep.

Wakefern Environmental Committee Chairman

When Harry Garafalo first purchased the Milford store, he teamed with the Connecticut Food Association for the recycled-bottle retention programs, became actively involved in state litter issues and sought community solutions to other environmental problems. "Deregulation of electricity significantly increased costs, and we looked at ways to gain savings," he says. He was keen on the advantages of Wakefern’s cooperative structure for developing meaningful resolutions to a range of sustainability issues.

“I became pretty engaged with Wakefern’s Environmental Committee. A couple of years ago, the chairman wanted to step down, and he recommended I take his place,” says Garafalo, who had been vice chairman at the time. The structure has changed since. "We have two vice chairpersons now, and they represent the next generation. They seem to be more environmentally focused. They bring a lot of energy and new ideas to the committee and are eager to participate," he says.

“My role as committee chairman is to interact with Wakefern staff, Karen Meleta, consumer/corporate communications, Suzanne Forbes, environmental affairs administrator, and others, to set the agenda on diverse projects at different parts of Wakefern."

The Environmental Committee meets on a quarterly basis to facilitate ways to bring best practices to members. "Our recent agenda meeting in Philadelphia with members covered a zero-waste-reduction project. Environmental affairs people attended to update us on the recycling program and legislative initiatives, both state and federal. Engineering people
JOSEPH COLALILLO, president, ShopRite of Hunterdon County

About ShopRite of Hunterdon County, NJ

The Colalillo family has been serving the communities of Hunterdon and southern Warren County for more than 50 years. It started with a small store in downtown Flemington, NJ and a handful of employees. "Now we have three stores with over 1,100 associates; and we are finalizing plans to open two more stores this year in Pennsylvania," says Joe Colalillo, second-generation president of the company he joined in 1983.

Green Teams

When Joe Colalillo agreed to take on the additional role of chairman and chief executive at Wakefern Food Corp. in 2006, the largest retail cooperative in the U.S., he couldn’t have chosen a more dedicated sustainability backer, according to Suzanne Forbes, environmental affairs administrator at Wakefern. In fact, Forbes points to sustainability actions Colalillo took in his own stores as models for other members to follow in moving sustainability initiatives forward.

"WAKEFERN’s corporate teams are central points for sustainability initiatives," says Colalillo, "but the store members/owners and their associates are churning the ideas and solutions based on their community’s needs, and passionately bringing those initiatives to fruition."

"Our philosophy at ShopRite of Hunterdon County is pretty simple," says Colalillo. "You can do things top down or involve all your people." To that end, Colalillo is a strong proponent of Green Teams, which were created by the cooperative to generate sustainability proposals from the grassroots up. It engages volunteer associates from all departments and job positions and communicates closely with corporate to create initiatives.

"Green Teams are a foundation of our sustainability efforts," says Colalillo. "We have three stores, and at each store we have a Green Team," he says. "In our stores, a retail dietitian heads up the team to look at ways to live sustainably and encourage sustainability efforts," he says, noting that each Wakefern/ShopRite member has their own approach in developing Green Teams.

"We added sustainability as one of our corporate values for future generations. Our Green Teams include one person from every department in the store, who takes the lead to rally people in their area around the whole idea of sustainability," he adds.

"The Green Team is really our way to get ideas flowing at the store level. For instance, we used to throw away 10-gallon salad container drums, and now we’re recycling them. Customers are taking buckets home to wash their cars." Composting is not a local option right now from a logistics standpoint, he says. "We brought in this biotech machine to manage food waste that breaks down anything edible. Think of all the greens, unusable fruits and vegetables. We cull our stands for produce that is blemished or non-saleable at full price and really look to see what we can use in the prepared foods department or deliver to the local food pantry," he says.

"Green Teams drive a lot of what happens in our stores. It’s why we put out bulletins to members that these containers from the salad bar can be recycled, or significantly cut back our use of paper," for instance.

"We also support sustainability efforts among different community groups. It’s all hyper localized and doesn’t come from big corporate programs," he emphasizes. "Our associates know local organizations and what road, beach or river needs cleaning up."

ED HENNING, vice president of corporate development, Glass Gardens

About Glass Gardens Stores

The Glass Gardens Family of stores began when Ben and Abe Glass started a produce business together in 1938. In 1955, they incorporated as Glass Gardens Inc., with their first store in Rochelle Park, NJ. Glass Gardens and affiliated companies have nine ShopRite stores, which are owned and operated by Abe and Ben’s sons, Irv and Terry Glass.

Solar Panels

"From high school I’ve been working in supermarkets, everything from A to Z," says Ed Henning, vice president of corporate development at Glass Gardens. "My tenure at the company goes back to 1960 when Ben and Abe Glass had one 4,000 square foot store and wanted to build a larger store, but were concerned about the high energy costs. Each had a son, and they were young and interested in the supermarket business," he says of Irv and Terry Glass, who now own and operate the..."
chain. “Sustainability goes back a long time with energy savings, and while we never talked much about sustainability, these measures evolved,” he says.

 Wakefern was very interested in helping me learn the business,” he says. “We have an engineering department that works closely with members and supports us with vendors, but it’s always up to the members; it’s their money and their decision;” he emphasizes, “We’ll talk to other members to share best practices and assist each other. Often times, we work with repeat vendors. We have a lot of Glass Garden Stores in New Jersey, and we can always recommend suppliers,” he adds.

 Glass Garden’s venture into solar panels involved more than two years of extensive research and cost benefit analyses. “We discussed and evaluated our findings with Wakefern executives, who were involved with other solar energy projects. The sharing of information put us on the road to the best systems and how to best finance them,” he says. “In 2009, we built a system through an outside vendor solar power finance agreement,” he says, noting, “Eventually, we chose to purchase the whole system ourselves. Glass Gardens looks at solar as a long-term investment.

 “Our initial program pays off in seven years; in essence, we did it with certain benefits from the New Jersey State Energy Smart Program. The state works with us, and a good portion of the cost is actually supplied by the utility companies, which are encouraged to participate.”

 The state provides a tax break for using more sustainable energy sources, he explains, and the utility is obligated to pay these renewable energy certificates. “We’re into the program since April/May of 2009 (five years now), and the costs have gone down. Many more companies got into the program, and the market is saturated by the amount of energy.”

 The solar system Glass Gardens installed in 2009 has 1,666 panels — one of the largest solar energy systems in New Jersey, says Henning — covering about 70 percent of the roof. It produces about 350 kilowatts, and has reduced energy in the store by about 10 percent,” he says, adding, “Everything is under warranty for more than 25 years.”

 Glass Gardens partnered with a local New Jersey company to install the system. “It’s nice to work with a family business and support the local community,” he says.

 The retailer also received funds from the city and the community. “The city was interested in our solar energy project and already campaigning to reduce carbon footprints, but we had to get their approval. The town manager was working on these programs for the county, and a big part of the enterprise was informing the public,” he continues. “We put up large banners in the store, and our customers were very interested, not only that we were doing business in town, but also helping the environment.”

 From a financial aspect, solar is still very expensive. Tax benefits were reduced substantially, according to Henning. “Even for home owners, there was a time when the state of New Jersey encouraged people to get on the solar panel bandwagon,” he says, adding, “Solar is a big investment upfront and it takes along time to recoup
Solar panels at ShopRite of Clinton, NJ. Currently, 14 ShopRite stores have solar panels; all go back into the grid and save about 10 percent on energy costs.

WAKEFERN/SHOPRITE RETAIL SUSTAINABILITY AWARD | PROFILE

As of now, 14 ShopRite stores have solar panels; all go back into the grid and save about 10 percent on energy costs, according to Henning. And one of our Wakefern facilities has 8,000 solar panels covering 330,000 square feet, accounting for a 20 percent reduction in energy costs.

“Our engineers work with each store and evaluate whether solar energy is a viable option,” he says. There are all kinds of considerations: zoning laws, financial ramifications, beautification laws, and myriad of rules and regulations.

“Glass Gardens is cognizant of the environment, and in our case, we can do something with solar panels that produces a benefit for the environment as well as a financial payoff — and it works well. Glass Gardens is always into saving money, but we’re encouraged when we can also do the right thing.”

CHARLES CULVER, director of energy and sustainable development, ShopRite Supermarkets, Inc.

About ShopRite Supermarkets, Inc.

ShopRite Supermarkets, Inc. (SRS) is a wholly owned subsidiary of Wakefern Food Corporation. When established in September 1986, SRS consisted of just four stores. Currently, the SRS family consists of 33 stores in New York and New Jersey, headed by Dave Figurelli, president and chief operating officer.

As director of energy and sustainable development since 2010, Charles Culver says he witnessed the beginning of a cultural metamorphosis, not just inside ShopRite Supermarkets, Inc. but throughout the entire cooperative, affecting associates at all levels, as well as the supermarket industry in general.

“Many companies now have full time Energy and Sustainability Departments that don’t just focus on utility procurement and environmental issues but instead pursue valuable efficiency initiatives that contribute to the corporate bottom line,” he says.

“For us, conservation and sustainable initiatives have become a staple of every remodel or new store project we do now at ShopRite. That was largely unheard of just a few years ago. Today, we choose equipment that doesn’t just satisfy our merchants’ requirements for product presentation and food safety, but that is also energy efficient.

“We design our store decor around using repurposed materials where possible and design lighting systems that make use of natural light and energy-efficient fixtures. We look to deploy distributed refrigeration systems where we can place the system closer to the cases and we began using glycol secondary systems for medium temperature applications to further that goal.

“Whether energy-efficient lighting, HVAC or refrigeration system modifications, my department is constantly looking for ways to apply new technologies to our existing stores and future stores.

“The entire industry is evolving, and we want to be at the forefront of that evolution,” he says.

“In that spirit, the company decided to venture into electric car charging stations for its customers. “We chose the town of Niskayuna [NY] to launch our first car charging stations because we wanted to offer a service that we felt was lacking. The vehicle charging stations were part of a rounded approach to revitalize an existing former supermarket building and shopping center, and to transform it into a destination site.”

The two charging stations, installed near the store’s entrances, can simultaneously charge four cars. “This offers our customers the ability to charge their cars while they shop. We don’t charge for the service in Niskayuna, and there are no difficult directions to follow or payments to process. The customer simply plugs their car into the unit and it turns on,” he says.

Operating the chargers has really been maintenance-free so far, he says. Since there are no payment procedures to follow, the training is very minimal. “Also, it seems that most people who own electric vehicles are fairly tech savvy, so that has not been an issue at all,” he says.

It is difficult to say how much use the chargers get, according to Culver. “Since we do not charge for the service it becomes challenging to track our units.”

Feedback from customers has been positive, he says. “We received words of encouragement from customers that shop with us in Niskayuna because of the car chargers. We learned that although there is not a high demand for vehicle charging stations, they are still a viable customer service and a responsible investment in the future.”

Along those same lines, as more and more electric vehicles hit the roads, the cost of charging equipment should continue to fall, hopefully enticing more businesses and corporations to make the investment to bolster the infrastructure, according to Culver.

Based on the pilot program’s results in Niskayuna, “We are looking to expand our offering to two additional stores as part of an initiative funded by the New York State Energy Research and Development Authority (NYSERDA) to expand the EV charging infrastructure in New York State.”

Culver highlights a few current initiative specifics to the produce department:

We made the switch to LED track lighting in nearly all of our produce departments. By next year this time, we hope to have every store completed. We were a
leader in the co-op with track lighting conversions from largely metal halide. LED track lighting has gotten remarkably better over the last couple of years. We are now able to give our produce merchandisers the color rendering they could only get using metal halide just a few years ago and without the Ultraviolet light that was objectionable with metal halide. We have made the switch to LED lighting in our multi-deck cases as well as in all of our new case replacements.

We also began installing glass doors on some multi-deck produce cases. We have four stores that currently have the doors, and it become a standard for any new or remodeled store. The doors save energy and improve product integrity.

We have four stores with Organic Digesters that are primarily used by our produce departments. The digesters work by using microorganisms to break down and decompose the food waste into a nontoxic liquid that is safely disposed of into standard wastewater. By putting produce scraps in the digester, instead of the trash compactor, we can divert up to 800 pounds of organic waste from reaching the landfill each week.

Lastly, we did not restrict LED lighting to just the sales floor. We use LED fixtures in the produce prep departments as well as the coolers. In addition to installing LED, we also install occupancy sensors to turn off the lights when associates are not in the prep room or working in the cooler. Sensors are a fairly easy and an inexpensive way to save energy and are eligible for incentives from most power authorities.

There is always some apprehension to trying something new, says Culver, describing an initiative to put dairy products and now some produce products behind glass doors to reduce energy consumption. “My biggest fear was that we would hurt sales by making the department more cumbersome to shop for our customers,” he says. “To my surprise, our customers fully embraced the initiative. The larger challenge was convincing our store personnel of the benefits. After explaining the ability to maintain more consistent product temperatures, they were completely won over and it has become an accepted practice now for all of our new projects,” he says, adding, “I was particularly surprised how painless converting open multi-deck produce was to our customers and associates. The success of any conservation measure lies in getting everyone to work together toward the common goal.”

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